

IRISH INVESTMENT MARKET

Q2 2018



OVERVIEW

The economic environment and continuing robust occupier markets sees Irish assets remain attractive to both domestic and overseas investors. The investment market witnessed another strong quarter in Q2 2018, with approximately €673.6m transacting.

Combined with the particularly large first quarter, turnover in the opening half of 2018 reached a total of €1.6bn across 83 deals. In terms of the value of turnover, this represents an impressive increase in activity compared to H1 2017. However, this uplift is mostly derived from several high value asset transactions and not a higher volume of deals taking place.

A sectoral analysis of the Irish investment market in H1 2018 reveals an interesting shake up from the previous year. Offices account for over half of investment turnover in the six months to end June, as the asset class experienced an uplift in both the volume and value of transactions recorded. This was followed by mixed use, retail and residential respectively.

Interest in Irish commercial real estate continues to be derived from both domestic and overseas investors. Overseas investors are dominating the larger end of the market, accounting for all but one of the transactions above €50m recorded in H1 2018.

Overseas investment is led by Europe, in particular German and UK parties, while the emergence of Korean interest is also evident. At the other end of the scale, domestic investors account for almost two thirds of turnover in the €1m - €20m price bracket.

Lastly, 2017 witnessed an increase in investment activity in the three regional centres outside of Dublin, and this pattern has continued in the opening half of 2018. A combined €255m worth of capital was invested in Cork, Limerick and Galway in H1 2018. At the end of June, an estimated €17.7m was currently sale agreed and a further €49.4m on the market, which suggests that 2018 will be another record breaking year for investment levels in the regional centres.

€1.6bn

INVESTMENT TURNOVER REACHED €1.6BN IN THE FIRST HALF OF 2018.

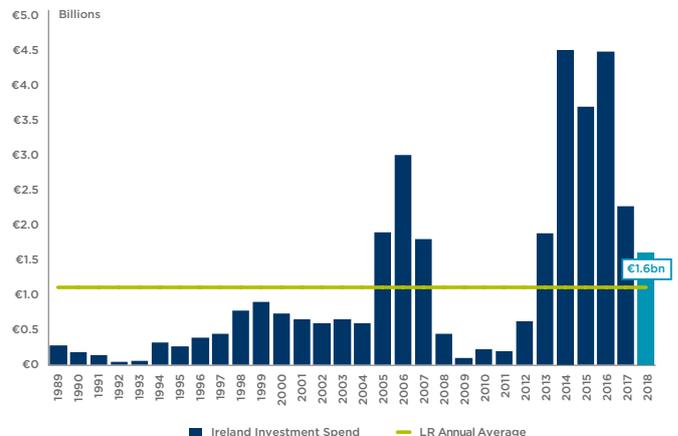


55%

THE OFFICE SECTOR ACCOUNTED FOR 55% OF INVESTMENT ACTIVITY IN THE OPENING HALF OF 2018.



Irish Investment Market, 1989 - H1 2018



Source: Cushman & Wakefield Research

Key Statistics, H1 2018

Total Value Transacted	€1.6bn
No. of Deals	83
Most Dominant Sector	Offices - €878.1m
Dublin Transactions	€1.3bn

Source: Cushman & Wakefield Research

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